



Division of  
Enforcement

**COMMODITY FUTURES TRADING COMMISSION**

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April 21, 2025

**VIA ECF**

Hon. Valerie E. Caproni  
United States District Court  
Southern District of New York  
500 Pearl Street  
New York, New York 10007

Re: CFTC v. Mek Global Limited, 24-CV-02255 (VEC)

Dear Judge Caproni:

I write pursuant to Your Honor's order of April 1, 2025, to provide a status report on the progress of settlement negotiations between the parties to this action. Since Plaintiff's letter of March 31, 2025, the Division has not received authorization from the Commission to sign the proposed consent order. As of the date of this letter, it appears unlikely that such authorization will be granted in the near term for the reasons set forth below.

On April 8, 2025, the Commission's Acting Chairman, Caroline D. Pham, issued a press release titled, "Acting Chairman Pham Lauds DOJ Policy Ending Regulation by Prosecution of Digital Assets Industry and Directs CFTC Staff to Comply with Executive Orders," *available at* <https://www.cftc.gov/PressRoom/PressReleases/9063-25> (the "Release"). In the release, Acting Chairman Pham directs "the CFTC staff and the Director of Enforcement, consistent with DOJ policy, to not seek to charge regulatory violations in cases involving digital assets, in particular violations of registration requirements under the Commodity Exchange Act," such as those charged in the instant action. Acting Chairman Pham further notes that "[u]nder Executive Order 14219, agency heads are required to 'direct the termination of all such enforcement proceedings that do not comply with the Constitution, laws, or Administration policy.'" However, "[f]or ongoing CFTC litigation matters in U.S. federal court, pursuant to administrative law and precedent, the CFTC cannot dismiss a case or enter into a settlement consent order to terminate the enforcement proceeding, without agency action by the Commission requiring a majority vote." "Currently, no party holds a majority on the Commission." Accordingly, Acting Chairman Pham "direct[s] the CFTC staff and the Director of Enforcement, pursuant to Executive Order 14219, with respect to ongoing CFTC litigation matters in U.S. federal court, to preserve the CFTC's limited enforcement resources by de-prioritizing actions involving violations of registration requirements under the Commodity Exchange Act . . . ." Acting

Chairman Pham further directs staff not to take any “litigating position or arguments that do not comply with the President’s executive orders, Administration policy, or DOJ policy on digital assets enforcement priorities and digital assets charging considerations.”

In accordance with the Release and the unique circumstances presented therein, Plaintiff respectfully requests that the Court provide the CFTC with an additional 60 days or until such time that definitive direction from the Commission may be issued with respect to this matter. Defendant joins in this letter.

Respectfully submitted,

/s/ John C. Murphy  
John C. Murphy

Attorney for Plaintiff

Cc: Counsel for Defendants (via ECF)